

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: U S WEST COMMUNICATIONS, INC., AND QWEST INC.	DOCKET NO. SPU-99-27
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ORDER REQUIRING CHANGES IN REPORTING FORMAT

(Issued September 12, 2002)

On March 17, 2000, the Utilities Board (Board) issued an order in this docket approving a proposed settlement and requiring that Qwest Corporation (Qwest) file monthly service quality reports. On July 2, 2001, Qwest filed a proposal to modify the service reporting requirements. On January 8, 2002, the Board issued an order denying the request for modification and directing its staff to conduct an audit of Qwest's service quality reporting. A staff audit report was submitted to the Board on April 19, 2002, and modified on May 9, 2002. The memo recommended that Qwest be required to perform several actions in response to the findings in the audit. These recommendations were discussed with Qwest and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) at a meeting conducted by the Board on July 2, 2002.

Based on the staff audit report and the discussions at the July 2, 2002, meeting, the Board will make minor revisions to Qwest's service quality reporting obligations.

The first of the recommendations in the staff audit concerns the proper count of Qwest access lines in Iowa. In January 2001, Qwest changed the way it counted access lines and then changed again in March 2002. The changes made in March 2002 were a result of Qwest's determination that several products that were included in the line count should not have been included because of the nature of the products.¹ The Board agrees that the change made in March 2002 is an acceptable change, although Qwest should not have made the change without first seeking Board approval. However, the change makes previous reports incomparable to current ones. Qwest will be directed to restate prior reports using the method of counting access lines commenced in March 2002 and to continue using the same line counting method in the future.

The second recommendation from the staff audit is that total out-of-service numbers should be restored to Qwest's reporting. Totals were included in the original reports, but beginning in September 2001, these totals are no longer being reported. Again, this change was made without the Board's approval. By excluding the totals, it is difficult to verify out-of-service numbers and percentages and previous reports cannot be compared to current ones. The Board will direct Qwest to restore

¹ The products included in line counts prior to March of 2002 that should not have been are: DSS advance, DSS basic, IT1 advance voice, out WATS, public coin, SVDS, Switchnet 56, ISDN PRI DSO channel, ISDN SLS, UAS circuits, unbundled loop analog, unbundled loop digital-2W, unbundled loop digital-4W, unbundled loop digital-ADSL, unbundled loop digital-BRI, UNE-P, and two way WATS. These are all services that do not fit within the categorization of "plain old telephone service," or POTS.

the total out-of-service numbers to its reports and to re-file prior reports that lack this information.

The third staff recommendation adopted by the Board is that Qwest should be required to send a notice to its customers twice a year informing them of the bill credits, alternative service options, and other remedies available to customers for service interruptions and held orders that extend beyond the prescribed timeline of the regulatory standards. The notice should be in the form of a bill insert, which must be approved by the Board prior to being sent. This requirement will address the concern that customers are not aware of their remedies for abnormal service interruptions and held orders.

Finally, after reviewing the service quality reports filed by Iowa Telecom and Frontier, the Board finds that the settlement agreement in this docket between Qwest and Consumer Advocate creates two sets of criteria for measuring Qwest's telecommunications service quality, one based on the settlement agreement and another based on the Board's service quality rules in Chapter 22. While the two sets are similar, they are not identical, and the differences can be significant.

For example, under the settlement agreement, Qwest uses an extended list of trouble report exclusions,² while the Board's service quality rules include only four allowable exclusions: A negligent or willful act on the part of the subscriber, a

² The audit revealed that Qwest excludes trouble reports caused not only by the circumstances listed in the settlement agreement (acts of God, explosions or fires, floods, tornadoes), but also caused by insects, rodents, birds, animals, trees, foliage, and undefined categories generally identified as "other."

malfunction of subscriber-owned telephone equipment, disasters or acts of God, or the inability of the company to gain access to the subscriber's premises. The Board will require that Qwest file additional reports based on the standards of the Board's rule 199 IAC 22.6(3). This additional report will be helpful in determining which service interruptions are truly beyond Qwest's control and will also provide a means by which to compare Qwest's service quality results with the other two price-regulated telecommunications companies in the state, which file service quality reports based on these rules. Qwest will be required to report interruptions according to the Board's rule back to July 1, 2001. This will give the Board at least 12 months' worth of data for comparative purposes.

In conclusion, based upon the staff audit of Qwest's reports and the recommendations therein, the Board is ordering Qwest to revise its service quality reports by:

1. Restating prior reports using the method of counting access lines commenced in March 2002, beginning July 2001, and continuing to use the same method of counting lines in the future.
2. Resuming the original reporting format for out-of-service reports by including total out-of-service numbers, beginning September 2001.
3. Providing notice to its customers at least twice a year, informing them of the bill credits, alternative service options, and other remedies available to them for service interruptions and held orders that extend beyond

the prescribed timeline of the regulatory standards. The notice should be in the form of a bill insert, with prior approval as to content from the Board.

4. Submitting a report based on the Board's service quality rules found in 199 IAC 22.6(3), *Service interruption*. These reports should be submitted monthly, at the same time as the monthly reports currently filed pursuant to the settlement agreement, beginning July 1, 2001.

5. Making no further changes in its service quality reporting methodology without prior Board approval.

IT IS THEREFORE ORDERED:

Qwest is directed to modify its service quality reports as described in the body of this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 12th day of September, 2002.